

From: Brendan Gilfillan/DC/USEPA/US
Sent: 4/25/2012 3:16:47 PM
To: Brendan Gilfillan/DC/USEPA/US@EPA
CC: Diane Thompson/DC/USEPA/US@EPA
Subject: Re: Fw: Inhofe Announces Investigation into EPA's Crucify Them Strategy on American Energy Producers in Senate Floor Speech

AL ARMENDARIZ:

Ex. 5 - Deliberative

CYNTHIA GILES:

Ex. 5 - Deliberative

From: Brendan Gilfillan/DC/USEPA/US
To: Diane Thompson/DC/USEPA/US@EPA
Date: 04/25/2012 02:26 PM
Subject: Fw: Inhofe Announces Investigation into EPA's Crucify Them Strategy on American Energy Producers in Senate Floor Speech

Ex. 5 - Deliberative

----- Forwarded by Brendan Gilfillan/DC/USEPA/US on 04/25/2012 02:25 PM -----

From: Arvin Ganesan/DC/USEPA/US
To: "Brendan Gilfillan" <gilfillan.brendan@epa.gov>, "Laura Vaught" <Vaught.Laura@epamail.epa.gov>
Date: 04/25/2012 01:53 PM
Subject: Fw: Inhofe Announces Investigation into EPA's Crucify Them Strategy on American Energy Producers in Senate Floor Speech

Sent from my Blackberry Wireless Device

From: [matt_dempsey@epw.senate.gov]
Sent: 04/25/2012 01:50 PM AST
To: Arvin Ganesan
Subject: Inhofe Announces Investigation into EPA's Crucify Them Strategy on American Energy Producers in Senate Floor Speech

<http://epw.senate.gov/>
<http://epw.senate.gov/public/index.cfm?FuseAction=Minority.Blogs>
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<http://epw.senate.gov/public/index.cfm?FuseAction=Minority.PressReleases>
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Inhofe Announces Investigation into EPA's Crucify Them Strategy on American Energy Producers in Senate Floor Speech
Wednesday, April 25, 2012

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Inhofe Announces Investigation into EPA's "Crucify Them" Strategy on American Energy Producers in Senate Floor Speech

[Link to Inhofe Floor Speech](#)

[Link to Letter from Inhofe to EPA Administrator Jackson](#)

Washington, D.C. - Senator James Inhofe (R-Okla.), Ranking Member of the Senate Committee on Environment and Public Works, delivered a speech today on the Senate floor announcing that he has launched an investigation into the Obama-EPA's apparent "crucify them" strategy targeted at American energy producers. This investigation will look into EPA's actions towards domestic energy production specifically in light of the agency's recent efforts relating to hydraulic fracturing.

Senator Inhofe's announcement today follows several questionable statements from top EPA officials, including comments released in a little-watched video from 2010, which reveals EPA Region VI Administrator Al Armendariz admitting that EPA's "general philosophy" is to "crucify" and "make examples" of oil and gas companies.

CLICK HERE TO WATCH ARMENDARIZ VIDEO

Not long after Administrator Armendariz made these comments, EPA targeted US natural gas producers in Pennsylvania, Texas and Wyoming. In all three of these cases, EPA initially made headline-grabbing statements either insinuating or proclaiming outright that the use of hydraulic fracturing by American energy producers was the cause of water contamination, but in each case their comments were contrived - and despite their best efforts, they have been unable to find any definitive evidence to make this link. When EPA's investigations did not turn out the way they had hoped, the agency quietly released several late-night statements reversing their earlier assertions during holidays and while Congress was out of town.

As part of his efforts to launch an oversight investigation into the Obama-EPA's actions, Senator

Inhofe sent a letter today to EPA Administrator Lisa Jackson asking for answers regarding the events surrounding EPA Region 6 and their recently withdrawn administrative order in Parker County, Texas - apparently the first of EPA's "crucifixion" victims.

These three cases in Texas, Wyoming and Pennsylvania are particularly important given that the Obama administration has proposed numerous new studies looking into hydraulic fracturing: EPA is currently in the midst of a long term study on hydraulic fracturing and any potential harms to drinking and ground water, which will ultimately be the foundation for EPA's decision on whether the administration will move forward with a barrage of federal regulations.

Highlights from Inhofe's Floor Speech

Transcript of Administrator Armendariz's comments in 2010 Video

Administrator Armendariz:

"But as I said, oil and gas is an enforcement priority [...] I was in a meeting once and I gave an analogy to my staff about my philosophy of enforcement, and I think it was probably a little crude and maybe not appropriate for the meeting but I'll go ahead and tell you what I said. It was kind of like how the Romans used to conquer little villages in the Mediterranean. They'd go into a little Turkish town somewhere, they'd find the first five guys they saw and they would crucify them. And then you know that town was really easy to manage for the next few years [...] So, that's our general philosophy."

Not long after Armendariz made this stunning admission, EPA apparently began to zero in on its first crucifixion victims. The agency targeted US natural gas producers in Texas, Wyoming, and Pennsylvania.

Parker County, Texas

Despite the fact that Texas state regulators were actively investigating the issue, EPA Region 6 led by Regional Administrator Armendariz issued a December 7, 2010 Emergency Administrative Order which "determined" that state and local authorities had not taken sufficient action and ordered Range Resources to provide clean drinking water to affected residents and begin taking steps to resolve the problem. Along with this order, EPA went on a publicity barrage in an attempt to publicize its premature and unjustified conclusions. The day of the order EPA issued a press release in which mentioned "hydraulic fracturing" four times with no context or science to implicate the process in any contamination. The agency claimed that they had also "determined that natural gas drilling near the homes by Range Resources in Parker County, Texas, has caused to the contamination of at least two residential drinking water wells."

Regional Administrator Armendariz was quoted in a press story posted online prior to him even notifying the state of Texas that EPA was their order and emails have been obtained from the day the order was released showing him gleefully sharing information with rabid anti-fracking advocates saying "we're about to make a lot of news...time to Tivo channel 8." In subsequent interviews Armendariz made comments specifically intended to incite fear and sway public opinion against hydraulic fracturing citing multiple times a "danger of fire or explosion." When state regulators were made aware of EPA's actions, they made it clear they felt the agency was proceeding prematurely to which Armendariz forwarded their reply to headquarters with a single-word message, "Stunning."

Now, fast forward to a late Friday afternoon of March 30th of this year, just a few hours after Congress left town for the Easter recess, the Wall Street Journal reported that, "EPA told a federal judge it withdrew an administrative order that alleged Range Resources had polluted water wells in a

rural Texas county west of Fort Worth. Under an agreement filed in U.S. court in Dallas, the EPA will also drop the lawsuit it filed in January 2011 against Range, and Range will end its appeal of the administrative order." A few weeks prior to EPA's withdrawal, a judge also concluded that one of the residents involved in the investigation worked with environmental activists to create a "deceptive video" that was "calculated to alarm the public into believing the water was burning" when it appears the resident attached a hose to the water well's gas vent - not to a water line - and then lit the gas from the hose's nozzle.

Pavilion, Wyoming

Last December, EPA publicized the release of non-peer reviewed draft findings which pointed to hydraulic fracturing as the cause of groundwater contamination. Here again, EPA stepped in over the actions of the state and made a press announcement designed to capture headlines where definitive evidence linking the act of hydraulic fracturing to water contaminations simply didn't exist. The announcement came in December despite as late as November 9, 2011 EPA Regional Administrator James Martin saying that the results of the latest round of testing in Pavillion were not significantly different from the first two rounds of testing, which showed no link between hydraulic fracturing and contamination. That's 3 rounds of testing which showed no contamination from hydraulic fracturing yet only a few weeks later, EPA was announcing the opposite.

I said after speaking to Administrator Jackson that day that it was irresponsible for EPA to release such an explosive announcement without objective peer review. Given the serious flaws in EPA's process, I asked EPA Administrator Jackson to release all the data, methodologies and protocols that have been used, and she has made a commitment to do so. Also, because this study is a new scientific inquiry and these methods will be used nationwide, I strongly believe that it should be considered a Highly Influential Scientific Study (HISA) and undergo the required objective peer review process. Unfortunately, the EPA has refused to officially classify this study as a HISA and has only loosely committed that it will be "treated" as one, allowing EPA to pick and chose which requirements it follows.

In another reversal by EPA in the past few weeks, EPA stepped back and agreed to take more water samples and postpone a peer review of the findings, something the State of Wyoming had been requesting from the beginning and something that should have been done prior to the political decisions to publicize unsubstantiated findings in an draft report.

Dimock, Pennsylvania

Dimock, Pennsylvania is the third site of EPA's recent backtracking of its publicized attempts to link hydraulic fracturing to groundwater contamination. In this instance the Pennsylvania Department of Environmental Protection (DEP) had taken substantial actions and including working out an agreement with an oil and gas company ensuring residents clean drinking water.

In line with the State's DEP, on Dec. 2, 2011, EPA declared that the water in Dimock was safe to drink. Just over a month later, EPA reversed its position, announcing it would be providing drinking water to some homes while conducting further testing of local private water wells - private water wells which the Agency has no regulatory authority over. Following the flip-flop, EPA's testing "did not show levels of contamination that could present a health concern."

What is perhaps most egregious was- to quote Pennsylvania DEP Secretary Michael Krancer - EPA's "rudimentary" understanding of the facts and history of the region's water. Independent geologists and water consultants like Brian Oram have been puzzled by the Agency's rational for their involvement in Dimock because the substances of greatest concern by EPA are naturally occurring

and commonly found in this area of Pennsylvania yet EPA has chosen this area to attack due to the presence of hydraulic fracturing.

Inhofe Letter to EPA Administrator Lisa Jackson asking for answers on Range Resources Debacle in Texas

I have written a [letter](#) to EPA Administrator Lisa Jackson which I sent today asking her for a thorough explanation into the Agency's actions surrounding the Parker County Texas investigation as well as detailed questions about the science the agency used to justify their emergency order. I am particularly concerned with this situation given the fact that it is under the watch of EPA Region 6 and Administrator Armendariz. Keep in mind they waited until Congress was in recess hoping their admission would go unnoticed.

Inhofe Calls for Investigation into EPA Actions in Texas, Wyoming and Pennsylvania

Today, I've come to the Senate Floor to announce that I am launching an oversight investigation into EPA's handling of these three cases. Against the backdrop of recent events, and Administrator Armendariz's admission that EPA is out to crucify natural gas companies, it's clear that EPA did not base these three studies on sound science or engage in the proper scientific process; the agency has been using questionable authorities while usurping the rightful regulatory authority of states. EPA clearly went through with these investigations based on preconceived conclusions with the explicit goal of tying potential environmental harms to hydraulic fracturing.

In EPA's handling of these three cases in Texas, Wyoming and Pennsylvania, I haven't seen much evidence to counter Armendariz's statement that EPA's "general philosophy" is to "crucify" and "make examples" of oil and gas companies, so this investigation is clearly needed. It will hold this administration accountable for what really happened behind the scenes in these matters and I will continue vigilant oversight of any future studies whose findings can be used to inhibit America from using its vast natural resources.

Two things are clearly incontrovertible. 1) The Obama Administration has done everything it possibly can to destroy domestic production of oil, gas and coal. And 2) the Obama Administration now is successfully carrying out its admitted plan to "boost the price of gasoline to the levels in Europe" and make energy prices "necessarily skyrocket." Fortunately for the American people, they have yet to fully achieve their goal and we have got to stop them.

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